

**XFlow** MARKETS

# PULSE

COMMODITY-REPORT

23.06.2023



### COFFEE

**CMP – \$169.18**

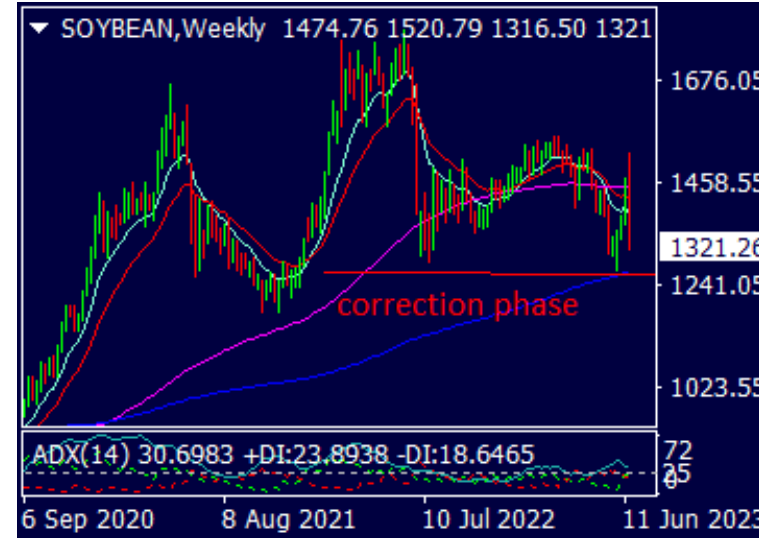
COFFEE traded at \$169.98, 0.21% down since previous close. The Coffee witnessed the losses in the previous session & the same momentum is expected to be continued on Friday. Last week, the change in climatic conditions in Brazil turning unfavorable for Coffee production & supplies led to the rally in prices since Brazil is a major producer of beans. However, the global cues made the commodity weaker in this week. The hawkish BoE rate hike stance & Fed's hint over smaller interest rate hike in this year made the global commodities weaker. As seen in the chart, the Coffee crossed down the lower trend-line of channel pattern & the ADX line moved below level 25 which indicates indecisive trend. Selling bias may be recommended for the day in Coffee.

**Resistance – \$171.30-\$173.65**

**Pivot -\$169.91**

**Support – \$168.55-\$166.16**

**Expected Trend- Bearish**



### SOYBEAN

**CMP- \$1321.03**

SOYBEAN is trading at \$1321.03, 0.19% down since previous day close. A massive selling pressure can be seen in Soybean prices as weather conditions in Argentina turns favorable for beans plantation & supplies which makes the commodity less expensive. Also, the weekly USDA report showed a rise in weekly exports & sales which further subdued the prices. Globally, the hawkish major world's Central Bank stance over monetary policy led the selling pressure in global as well as agri-commodities. As seen in the chart, the Soybean retreated down after testing \$1500 levels which indicates a correction phase. Selling bias may be established for the day in Soybean on daily basis.

**Resistance – \$1520.44-\$1544.76**

**Pivot -\$1494.22**

**Support – \$1470.90-\$1444.28**

**Expected Trend- Bearish**



### NATURAL GAS

**CMP- \$2.712**

Natural Gas is trading at \$2.712, 0.31% up since previous day close. The Natural Gas prices moved on higher side despite bearish estimates released from U.S EIA report on Thursday. The report showed a build-up of 95B against the expected rise of 89B which shows more storage levels. Last week, the report showed a rise in Natural gas storage levels by 84B much lower than estimated rise of 97B. Last month, the commodity reversed upside from major support level of \$2.00 levels with heavy trading volume. The major Natural Gas producers are expected to lower down drilling & production levels amid low pricing environment in the year 2023 which remains positive for prices. Buying on corrective dips may be recommended for the day in Natural Gas.

**Resistance –\$2.770-\$2.840**

**Pivot -\$2.643**

**Support – \$2.578-\$2.456**

**Expected Trend- Bullish**



### COPPER

**CMP- \$8673.3**

COPPER traded at \$8678.3, 0.09% down since previous close. The corrective phase can be seen in base metals after hawkish BoE stance indicates slowing economic progress which may affect the demand of commodities. Also, the mixed USD amid Fed Chair Powell's hint over smaller rate hikes made the Copper weaker. Earlier in this week, the China's PBoC cuts down its Prime lending Rate (PLR) by 10bps lower than expected rate cut by 15bps which may affect the demand of Copper since China is a major consumer of base metals. The result of U.S PMI figures will remain in focus for the day. As seen in the chart, the Copper retraced down from MA (100) which shows the make-or-break situation on the short to medium term basis.

**Resistance – \$8664-\$8760**

**Pivot –\$8602**

**Support- \$8500-\$8438**

**Expected trend- Neutral**

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